2.00 P.M.

The House then adjourned for lunch at three minutes past one of the clock. The House re-assembled after lunch at three minutes past two of the clock,

THE VICE-CHAIRMAN (PROF. P. J. KURIEN) in the Chair.

PAPERS LAID ON THE TABLE *(Contd.)*

Report of NC RLM (Volumes I and II)

THE MINISTER OF STATE OF THE MINISTRY OF MINORITY AFFAIRS (SHRI SALMAN KHURSHEED): Sir, I lay on the Table, a copy (in English and Hindi) of the Report of the National Commission for Religious Linguistic Minorities (NCRLM) (Volumes I and II).

SHRI JESUDASU SEELAM (Andhra Pradesh): Sir, what about the Action Taken Report of the Government? When will it be laid?

The Rubber (Amendment) Bill, 2009 ***(Contd.)***

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Now, we will continue with the discussion on the Rubber (Amendment) Bill, 2009. ...*(Interruptions)*...

SHRI RAHUL BAJAJ (Maharashtra): Sir, if you permit me, I want to raise two points.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Is it on a point of order?

SHRI RAHUL BAJAJ: We have just got Part II of the Parliamentary Bulletin, which says that the Salaries and Allowances of Ministers (Amendment) Bill will be passed without discussion. I have no objection to anybody getting more salary because I myself am getting a lot of salary. But why should it be passed without discussion?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): You cannot raise it now. You raise it when that subject is taken up. ...*(Interruptions)*... The Minister wants to say something. Kindly sit down.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI PAWAN KUMAR BANSAL): Sir, the hon. Member has chosen to raise that point. Let me make one thing very clear. The Amendment Bill does not relate to any increase in the salary or perks. There is only one discrepancy because there is a disparity between the air journeys which an hon. Member as a Member of Parliament gets and the air journeys he would get if he were to get into the Government; he may not have those. So, there was some mistake somewhere. It is only to rectify that.

So far as the other thing is concerned, I am sure the hon. Member is aware of this, that any decision which is taken by the Business Advisory Committee is not discussed in that way. It was the Business Advisory Committee which said since the letter relates only to that one simple point – it is not the enhancement of any salary or perks–it need not be discussed. That is all that was said. I thought it better to clarify that point.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Thank you very much.

We now take up the Rubber (Amendment) Bill, 2009. Shri Syed Azeez Pasha.

SHRI SYED AZEEZ PASHA (Andhra Pradesh): Sir, I rise to support the Rubber (Amendment) Bill, 2009. At the same time, I want to seek certain clarifications and make a few suggestions.

My first point is in regard to the P.P. Prabhu Committee which has recommended an increase in the number of Board members for public representatives and a reduction in the number of officials. What we see today, Sir, is that there are ten lakh rubber growers, small farmers, and they have only three representatives. On the other hand, there are only 283 big farmers but they also have three representatives. Three for 283 and three for ten lakh rubber growers! This is very unfair. I request that small growers should get, at least, five representatives on the Board. This is my first suggestion.

Secondly, in regard to social security provided to rubber growers in the country, if you look at the Annual Report of the Rubber Board, it shows that there has been a fall in the rubber production due to viral fever, chickengunea and malaria. This has resulted in the shortage of tappers. So, my suggestion is that the Board should create a separate health insurance scheme for labourers and their families, as also a crop insurance scheme for the farmers.

Thirdly, it is good that the Government has decided to restrict the import of artificial rubber and allied products. It is really ruining the rubber producers in the country. I welcome the proposal of the Commerce Ministry to encourage exports. But, now, statistics give really a different picture. In the first quarter of this year, exports were only to the tune of 900 tonnes, but imports were to the tune of 75000 tonnes. There is really a mismatch between the imports and the exports, even though you have an over-ambitious target of exporting 50,000 tonnes. I don't know whether you have any action plan for this. Anyhow, I congratulate the hon. Minister for not including rubber in the negative list of the recently concluded ASEAN meeting.

Then, the subsidy given to replanting is only Rs.19,000. I feel, not only the cost of production of replanting has gone up, but the other costs have also gone up. I strongly urge upon the hon. Minister to increase the per hectare replanting cost from Rs.19,000 to a minmum of Rs.40,000 to meet the increased cost of production because the present amount is very meagre.

Then, you have done away with registration and licensing. It is good that you want to simplify the procedure. But you have to regulate it in the absence of registration and licensing. You may be having your own mechanism; I don't know. Finally, for simplifying the procedure, you have introduced self-assessment. But, I feel, while giving the remittance, there may be illegal transactions and, then, there will be an attempt to evade the excise duty. How are you going to tackle this evasion of duty and illegal transactions? These are some of my observations.

With these words, I support the Bill once again.

SHRI TIRUCHI SIVA (Tamil Nadu): Sir, keeping in view the rubber industry has undergone immense changes in the recent years, these amendments have been brought in the Rubber Act, 1947. The amendment proposes eight main changes in the principal Act. Out of which, Sir, two ought to be very much welcomed. While all the other things are to be welcomed, I support this Bill. I have got one query. Before that, I would like to appreciate the Minister for taking efforts in bringing in amendments to the Bills which have been kept lying for many years without being looked into. I appreciate the Government, especially this Ministry for having looked into a Bill which has been kept in for more than 60 years, though so many drastic changes have taken place in the industry.

First of all, in the amendment, while it retains the requirement of the licences for buying or selling rubber, it delincences for planting and replanting. It is to be welcomed. The second most thing is, it redefines small grower, as an owner whose estate is up to 10 hectares, compared to previous 50 hectares, *i.e.*, approximately 25 acres. Ten hectares amount to 25 acres. It combines the different funds under the Rubber Board into one single Rubber Development Fund. It empowers the Rubber Board to implement standards for quality, marking, labelling and packing. It permits the Central Government to issue policy directives to the Rubber Board. It also allows the Rubber Board to compound any offences on payment up to the value of goods concerned. It increases the penalty for making false statement to Rs.5,000 from Rs.1,000. And it adds three members to the Rubber Board, two from the Department of Commerce and one from the Department of Agriculture and Cooperation. My query is, Sir, – many of the other Members have also mentioned that – an amendment which permits the Central Government to set the excise rate to zero on rubber manufactured for export for the period exclusively from April, 1961 to August, 2003. The excise collected during this period may be refunded. The Financial Memorandum estimates the total cost to the exchequer arising from this proposal at Rs.16.69 crores. Sir, any cost to the exchequer is a thing to be done. I don't want to immediately suggest the Minister to delete it because we do not know the exact reason for which you have fixed the period. We need a clarification for that. I am saying this because in the Statement of Objects and Reasons, there is no provision; nothing has been stated or it has not been provided the rationale for changing the excise rate for a previous period. So, again, I would like to reiterate this thing. Just all of a sudden, it costs the exchequer Rs.16.69 crores; kindly delete this or kindly don't do this. I would like to seek a clarification from the hon, Minister in this regard. There must be some reason for having you done this. And that clarification will enlighten me and the House, in general. With these words, I support the Bill, Thank you very much, Sir.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Now, hon. Members, I would like to seek some clarifications from the hon. Minister. Since nobody from the panel of Chairman is here, if the House agrees, I would request Shri Rama Jois to occupy the Chair for five minutes, till I finish my speech.

SHRI D. RAJA (Tamil Nadu): Why not. ...*(Interruptions)*...

SHRI TIRUCHI SIVA: Yes, Sir.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): So, everybody agrees to it.

(THE VICE-CHAIRMAN, SHRI M. RAMA JOIS in the Chair)

PROF. P. J. KURIEN (Kerala): Thank you, Sir, for allowing me this time to speak. Now, I don't want to take more time of the House. I have only two-three points to make, to which I would like the hon. Minister to respond. The first point is this. You see, first of all, I would like to say that the Rubber Board has done a wonderful work. It deserves kudos and laurels from all of us. I think, of all the Government Boards, that is, perhaps, the one which has produced the result more than our expectation.

Today, with regard to productivity, we are number one in the world. So, it should be a model for other boards as well. If there is effort and commitment from the Government and growers, then certainly we can achieve the results in other commodities also.

Having said that, with regard to this Bill, I support it. There was some feeling that I do not support it. Not at all, I am supporting the Bill and our party is also supporting it. No problem with that. ...*(Interruptions)*...

Sir, I have two-three concerns. I shall be very brief. Firstly, there is a clause for inspection. Inspection can be held according to the previous amendment with regard to exporters, traders and processors. All these are under obligation to be inspected. When you inspect traders and dealers, there is a problem. That is, more than 80 per cent of the rubber produced is from small growers. The bulk of small growers do not have facility for proper processing. So, the rubber they produce is actually RSS-fibre. Quality-wise, it is lower. Dealers will buy that rubber. When the Rubber Board inspects dealers, naturally they would prosecute the dealer if the quality is lower. When they prosecute the dealer, the dealers would refuse to buy the lower quality rubber. But, unfortunately, 30 per cent of the rubber produced is the lower quality. Therefore, I have a suggestion. I know, the Rubber Board is very considerate towards growers; I have no complaint about that. Since it is mentioned in the Bill, I would like the Minister to respond to that so that the small dealers are not subjected to this kind of inspection and the small growers do not suffer.

My second point is with regard to the minimum floor price. As per the existing Act, Government may fix the minimum floor price whenever the price becomes totally unremunerative for the farmer. But, there is an amendment now. Government may fix 'if it deems necessary.' I do not know what is the need for that. In my view, it dilutes the clause. That is my view; you may clarify and correct me. 'If it deems necessary', I think, is in clause 13. I am not asking you to bring an official amendment now. But, give an assurance that whenever the price goes below a level, which is not profitable, not even remunerative to the growers, the Government would intervene and declare the minimum floor price. I want an assurance on that only.

I would come to my third concern. 88 per cent of the rubber is produced by small growers. Their number is nearly 10 lakh. The large growers are only 283, The large growers have got three representatives in the Rubber Board. Small growers, who number about 10 lakhs, also have three representatives! If you compute the quantity of the rubber produced, 88 per cent produced is from the small growers. I am not asking for a proportionate number, but I am asking representation for the quantity of rubber produced. The quantity produced by the small growers is nine times more than that produced by large growers. Therefore, when large growers are given three members in the Board, the small growers should have been given 27, which I am not asking.

But give us nine instead of twenty seven. Now there are three for small growers and three for large growers. I am requesting you to retain the three for the large growers and for the small growers you increase this number to nine. For this also, I am not asking for an amendment now, but give us an assurance that you will consider this request.

I have no objection to increasing the number of officers from one to three because officers especially from the Government of India should be there for better coordination between the Rubber Board and the Government. So, it is better to have more officials on the Board, I am not opposed to that. But I want the number of representatives of the small growers be increased.

Lastly, my submission is that many people in this part of the country do not know how rubber is planted. It is very expensive to plant rubber and for seven years you do not get anything. It is not a crop like other crops like paddy, wheat or any other thing. In case of rubber, for seven years you do not get anything. The 90 per cent of the farmers, who are about ten lakh in number, own one acre or one hectare of land. How do they live during this period of seven years? For fertilizer and some other things, there is a paltry sum of subsidy, which is quite inadequate. I am saying it from my personal experience. I know it because 1 myself have one acre of rubber plantation. I am also a small grower. Therefore, I want the Government to appoint a Committee to study it and also the question of providing increased during these seven years when they do not get yield. I have only these four requests to make to the hon. Minister. ...*(Interruptions)*... Till the yield comes, it is already seven years. I will be grateful to the Minister if he can react to these four queries of mine. Thank you very much, Sir, for giving me this time. Thank you.

(THE VICE-CHAIRMANJPROF. P. J. KURIEN) in the Chair)

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): The hon. Minister will reply. ...*(Interruptions)*... Private Member's Business starts at 2.30. ...*(Interruptions)*... At 2.30 he will stop and ...*(Interruptions)*...

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): Sir, let the sense of the House be taken even if it is over by a few minutes.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): If the House agrees, I can do it. Okay, at 2.30 I will ask.

SHRI ANAND SHARMA: Mr. Vice-Chairman, Sir, I am thankful to the Members who have participated in the debate and raised some important questions and also sought clarifications. As I have mentioned right in the beginning, in my opening statement, the objective of this Bill is to ensure that the various difficulties which are faced by the small growers are addressed, the small growers are given more support and the cumbersome procedures of the requirements of registration and licence for planting and replanting is done away with this, which in our view is obsolete, and also create a consolidated Rubber Development Fund which will ensure easy flow of money as per the guidelines to the small growers. Now Mr. Rama Jois did talk about the nomination of the Central Government that who will be the people who will be nominated and particularly with reference to Karnataka and also about the criteria for the grant, which is made by the Rubber Board to the rubber States.

The criteria are very clearly defined and the competent authority can sanction any grant only if it is within the defined parameters for the development, for Human Resource Development and for the kind of support which the rubber estates would need, which the hon. Members have mentioned. It is true that the plantation of rubber-which was restricted to one small part of the country during the British rule and later on in the adjacent areas in Kerala primarily and also in Tamil Nadu, parts of rubber growing area of the old Madras State, as Mr. Rama Jois has said - - now form part of Karnataka State. Rubber cultivation has also been extended to other parts of the country, including in Orissa and North-Eastern States. Whether in substantial measure or in small measure, ten States are today growing rubber and the Government, therefore, has decided to open more offices and also recruit more staff to ensure that those parts of the country where rubber cultivation has been taken up also get due attention and the growers there get some adequate support. Sir, as far as the representation part is concerned, this has been raised by many Members and Mr. Vice-Chairman, Sir, you too while participating in the discussion have raised this issue of small growers' representation. The Government has been mindful (a) of the difficulties of the small growers and (b) the need to have a fair representation which has to be raised by the Members, besides you also, Mr. Pasha had raised the same thing of the small growers and also Mr. Siva. The small growers are almost one million in number whereas the large growers are 283. It has not been correct to equate the two though it may not be possible for me at this stage to give the exact number but I can give you a firm assurance, Mr. Vice-Chairman, Sir, and through you to the House that we will increase the representation of the small growers in the Rubber Board. The second important issue which has been raised is regarding the cess. We have clearly described it in the Bill also that this is an enabling provision to address the audit objections, the audit paragraphs. Mr. Rama Jois had raised why the cess was not collected. From the 1st of April, 1961, the point of collection of cess was shifted to the

manufacturers when the number of growers rose to tens of thousands. Therefore, collection was not possible and from such a large number of farmers, primarily small growers, and it was shifted then to the manufactures which was again not collected. The rubber exported did not undergo any manufacturing activity. This was the reason why cess was not collected after 2003 this issue has been addressed and notification exempting cess on exported rubber has been reduced to Zero from 1.9.2003. The issue therefore was what to do of the cess which could not be collected from 1961 to 2003 and a conscious view has been taken considering what the CAG have said. Secondly, this amendment of this Act also empowers the Government to wave or to levy cess. This in our view is correct since we cannot go back to collection...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Just one minute. If the House agrees, I will allow the Minister to finish his reply and then, we will take up the Private Members Bill.

SOME HON. MEMBERS: Yes.

SHRI ANAND SHARMA: Mr. Vice-Chairman, Sir, the other issue which has been raised is about the provision of inspection of the premises of dealer, processor, manufacturer and exporter under new Section 17(2). This provision is not a new one. There already exists a provision for inspection in the present Act under Section 21 – for any other purpose of this Act. Therefore, the purpose of Section 17(2) is to make it specific so as to ensure that the quality of natural rubber fully meets with the requirements of the domestic and international standards. This is not something new which is being done.

Sir, I will also address the question of the India-ASEAN Free Trade Agreement which has also been raised by some hon. Members and also about the quantum of exports. Mr. Siva has raised why the quantity of exports is not adequate enough. It is true that we are first in the productivity of natural rubber in the world. We are at number 4 when it comes to production of natural rubber and we are the third largest consumer in the world. There is a huge demand within the country which has clearly reflected in the fact that the price of natural rubber has undergone or seen an increase of 105 per cent in eight months. So, there is a demand. We have a growing industry in this country which is using natural rubber. The projections make it clear that in the coming years there will be more consumption. But rubber import is not free; it is restricted only to the actual users. When we look at the production and consumption, the production in the country was 8,25,345 tonnes, whereas, the consumption is more than the production. So, there is, actually, a small shortfall between production and consumption within the country and that has to be met through import. But, at the same time, it is in the restricted category. There is no free import of rubber. In the Indo-ASEAN Agreement, our negotiators had a clear direction. The Agreement that India signed has a huge Negative List, primarily

to protect the interests of the small farmers and the plantation sector. I would like to inform Mr. Pasha and also other hon. Members who have raised it that natural rubber is in the Exclusion List of India-ASEAN Agreement. So, there is no reason for any apprehension or fear.

When we look at the nomination of the Central Government, three nominees are proposed. The present functioning of the Rubber Board has been acknowledged and appreciated by you and other hon. Members that it has been working for the betterment of the rubber plantation sector, for the small growers engaged in pioneering research which has placed India as one of the major producers of rubber in the world. The new clones helped in ensuring that we are first in productivity. The composition of the Board has 10 nominees of the Government of India. This question was asked on various occasions. In the other House also it was raised as to why 10 nominees of the Government of India. Who are these ten nominees? Sir, four represent labour, 2 represent the manufacturers and 4 would be the other categories and that is where I feel that there is some room when we look at the demand for increasing the representation of the small growers or looking at other States which are totally unrepresented and we cannot now roll it back when the original Act itself has given representation to two States. Therefore, this provision is helpful. We have eight nominees from the State of Kerala which includes only two nominees from the Government of Kerala and six nominees are growers. Yes, I have already responded to this that why the small and the large number, 283 and one million, have been given the same representation. I have already given an assurance that it will be corrected. There are three Members of Parliament elected by the two Houses, *ex-officio*, again, there are only two Members, that is, the Rubber Production Commissioner and the Executive Director. So, effectively, there is only one nominee you can say, who is from the Central Government. The official representative of the Government of India is the Chairman of the Rubber Board. That is why, it was felt by the Ministry of Agriculture and this Ministry that there should be more nominees and those three officials will, therefore, be included. I feel, Mr. Vice-Chairman, Sir, that I have answered all the queries, addressed the apprehensions of the hon. Members and I do understand the concern of the Members coming from these States, Kerala, Tamil Nadu and Karnataka. We will ensure that after these amendments, the Rubber Board functions in a manner 'to meet the objectives which have been clearly defined. This Bill is, actually, meant to help the small growers and help the rubber plantation in the country. With these words, I would like to commend the Bill to be passed by this House.

SHRI M. RAMA JOIS (Karnataka): Sir, I have a specific query regarding representation of the State of Karnataka.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): I believe that he has said that.

SHRI ANAND SHARMA: Sir, I have given a firm assurance to give more representation to small growers. Secondly, since now it is in ten States, we will see that those States which have always remained unrepresented on the Rubber Board, should also get representation. We will work out a formula whether it is on rotational basis, because there are ten States. I am not in a position to say about one State. The Government of India has equal responsibility about the remaining seven States also. Thank you.

SHRI M. RAMA JOIS: I want to know about the exemption. Does it give rise to demand for refund? That is what I want to know. If not collected, and exempted, it is all right. What if it has been collected?

SHRI ANAND SHARMA: It has not been collected at all.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Okay, The question is:

"That the Bill further to amend the Rubber Act, 1947, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN : We shall now take up clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): In clause 3, there is one amendment (no. 1) by Shri A. Vijayaraghavan. Are you moving?

SHRI A. VIJAYARAGHAVAN (Kerala): Sir, I would like to say a few words. The intention of my amendment is mainly to ensure representation of the poor farmers in the Board.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): That he has already assured.

SHRI A. VIJAYARAGHAVAN: The Minister has taken up that matter very seriously.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): You can thank the Minister for this.

SHRI A. VIJAYARAGHAVAN: Of course, I am thankful to him. Similarly, in Kerala, we are producing nearly 90 per cent of total natural rubber but only two representatives are there in the Board. I would also like to say that when you nominate farmers on the Rubber Board, naturally, some consultation will always help. I think that should also be considered by the Minister.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): So, you are withdrawing your amendment.

SHRI A. VIJAYARAGHAVAN: Sir, I hope that that will be considered by the Minister. So, I am withdrawing my amendment.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): So, amendment is withdrawn.

Clauses 3-18 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ANAND SHARMA: Sir, I move: That the Bill be passed.

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Now, we shall take up Private Members' Bills; Bills for introduction. ...*(Interruptions)*...

SHRI PENUMALLI MADHU (Andhra Pradesh) : What about the other Bills, Sir? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Private Members' Bills are only for introduction. That may be over in 10-15 minutes. Immediately after the introduction, we shall take up other bills. Today, we shall take up all other pending Government business.

SHRI RAHUL BAJAJ: Sir, we heard that there will be no sitting on Monday? So, do we have to take up all that business today?

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): I cannot say that. Please, sit down. The hon. Chairman will decide that. ...*(Interruptions)*...

SHRI RAHUL BAJAJ: Sir, the other House has adjourned sine die. Why can't we finish the work today? These are days of austerity; why should so many people be made to go and come back again? Let work be finished today or tomorrow.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): That will be decided.

SHRI RAHUL BAJAJ: When, Sir? ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Please, take your seat. ...*(Interruptions)*... Now, Dr. Subbarami Reddy.

PRIVATE MEMBERS' BILLS - INTRODUCED

The Constitution (Amendment) Bill, 2009

(To amend Article 51-A)

DR. T. SUBBARAMI REDDY (Andhra Pradesh): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

The question was put and the motion was adopted.

DR. T. SUBBARAMI REDDY: Sir, I introduce the Bill.

The Compulsory Registration of Marriage Bill, 2009

DR. T. SUBBARAMI REDDY (Andhra Pradesh): Sir, I beg to move for leave to introduce a Bill to provide for compulsory registration of all marriages irrespective of caste, religion and creed in the country and for matters connected therewith and incidental thereto.